

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

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|----------------------------|---|--------------------|
| THE TARIFF APPLICATION OF |) | |
| SOUTH CENTRAL BELL FOR |) | |
| ACCESS LINE SERVICE FOR |) | |
| CUSTOMER-PROVIDED PUBLIC |) | |
| PHONES |) | |
| |) | |
| AND |) | CONSOLIDATED CASES |
| |) | NO. 9220 AND 9223 |
| |) | |
| THE TARIFF APPLICATION OF |) | |
| CINCINNATI BELL TELEPHONE |) | |
| COMPANY TO ESTABLISH REGU- |) | |
| LATIONS, RATES AND CHARGES |) | |
| FOR MEASURED RATE COIN |) | |
| SERVICE FOR USE WITH |) | |
| CUSTOMER-PROVIDED PUBLIC |) | |
| PHONES |) | |

O R D E R

On November 15, 1984, South Central Bell ("SCB") filed a tariff to allow registered, customer-provided, coin-activated telephones ("coin-phones") to be connected to its switched network. The proposed tariff would allow the connection of these coin-phones on a measured-service basis where that service is available. Where measured service is not available, a "surrogate" flat rate, based on average usage of utility-provided pay phones, would be assessed.

Cincinnati Bell Telephone Company ("Cincinnati Bell") filed a similar tariff on November 20, 1984. Cincinnati Bell's proposed

tariff would assess the utility's message-rate access charge where measured service is not available in its serving area. These tariffs were subsequently suspended and consolidated for purposes of further consideration by the Commission.

On January 17, 1985, a formal conference was held in these matters. Issues discussed were as follows:

1) Whether a decision to allow registered coin-phones would be inconsistent with the Commission's Order in Case No. 8883, In the Matter of Investigation into the Connection of Customer Provided Coin-Activated Telephones to the Telephone Network, dated December 22, 1983, which ordered that the Commission would not deviate from existing telephone equipment registration rules of the Federal Communication Commission ("FCC") and therefore would not allow the connection of non-registered coin-phones to the switched network;

2) Whether a decision to allow registered coin-phones would be inconsistent with any of the findings of that same Order; and

3) Some limited discussion of the merits of the respective tariffs.

Parties actually participating in the formal conference included SCB, Cincinnati Bell, and AT&T Communications of the South Central States, Inc. ("ATTCOM"). Parties granted full intervention status in these cases include ATTCOM, Phoenix Enterprises, Capital Tel Systems, Inc., Circle K Corporation, and William-Tel Phone Company. Parties granted limited intervention

status include Michael K. Guest, ApCon, Inc., and Better Telephones and Technology, Inc.

DISCUSSION

These tariffs would appear to conflict with the Commission's Order in Case No. 8883, herein cited. However, significant change has occurred since that decision was made. The most important is that the FCC has ordered the inclusion of coin-phones into its registration program (e.g., In the Matters of Registration of Coin Operated Telephones Under Part 68 of the FCC's Rules and Regulations - File No. 100-CX-83, adopted June 15, 1984). The result of this change is that these registered coin-phones no longer must be connected behind registered protective circuitry ("RPC"), a situation which has resulted in a proliferation of both potential suppliers and users of such phones.

The Commission's Order in Case No. 8883 stated that the Commission would not deviate from the FCC's existing registration rules and would therefore not allow connection of the coin-phones through RPCs to the switched network. Since the connection of coin-phones in the instant case would be limited to those which are registered under Part 68 of the FCC's rules and regulations, that prohibition would not apply. Therefore the Commission has determined that a decision to allow registered coin-phones would not be inconsistent with its Order in Case No. 8883.

Having answered the "Threshold Question" (i.e., whether registered coin-phones will or will not be allowed) in the

affirmative, this matter must be further addressed with regard to the terms and conditions under which connections will be allowed. The Commission has determined that a public hearing should be held in order to allow interested parties the opportunity to present testimony relative to the reasonableness of the tariffs proposed by SCB and Cincinnati Bell. Although some limited discussion of the tariffs occurred during the formal conference, several of the intervening parties were unable to attend due to inclement weather. Therefore a public hearing would give all interested parties the opportunity to provide input in this matter.

In addition to the tariffs themselves, certain questions arose during the formal conference concerning additional requirements which should be imposed upon the connection of the coin-phones. The Commission is of the opinion at this time that the following conditions should be required in the utilities' tariffs:

- 1) The name, address, and telephone number of the person or entity responsible for the coin-phone must be affixed to that phone to assist in the resolution of user complaints (i.e., return of coins for uncompleted calls, maintenance, etc.);

- 2) The coin-phones must meet requirements of Federal Law relative to accessibility to the physically-handicapped and the hearing impaired; and

- 3) The coin-phones must provide coin-free access to emergency numbers such as 911, where those emergency numbers are available.

The Commission invites testimony and/or comment at the public hearing relative to these requirements.

On March 1, 1985, Cincinnati Bell filed a motion to strike the comments of Capital Tel Systems, Inc., filed on February 20, 1985, since the case stood submitted upon the record made at the January 17, 1985, formal conference. Cincinnati Bell further objected to the intervention of William-Tel Phone Company and Better Telephones and Technology, Inc., on the grounds that such intervention was requested subsequent to the January 17, 1985, conference. On March 1, 1985, SCB filed to join in the motion of Cincinnati Bell.

The Commission has determined that a further hearing will be required in order to allow interested parties to file testimony relative to the reasonableness of the proposed tariffs and the Commission's proposed requirements. Therefore the Commission will deny the motions of Cincinnati Bell and SCB relative to late-filed comments and intervention. These parties should be allowed to file testimony, subject to cross-examination, and to participate in the public hearing.

FINDINGS AND ORDER

The Commission, having considered this matter, and being advised, is of the opinion and FINDS that:

1) A decision to allow registered coin-phones to be connected to the switched network would not be inconsistent with the Order in Case No. 8883, dated December 22, 1983, would be consistent with the FCC's telephone equipment registration program, and should be allowed under reasonable terms and conditions;

2) A public hearing should be held to discuss the reasonableness of proposed utility tariffs, the Commission's proposed requirements as discussed herein, and the proper location of those requirements, whether in utility tariffs or Commission Order; and

3) The motions of Cincinnati Bell and SCB to strike comments filed by Capital Tel Systems, Inc., and to deny intervention status to William-Tel Phone Company and Better Telephones and Technology, Inc., should be denied since these parties should have opportunity to participate in the public hearing.

IT IS THEREFORE ORDERED that registered, customer-provided, coin-activated telephones may be connected to the switched telephone network, provided that such reasonable terms and conditions as the Commission may require after a hearing are first met.

IT IS FURTHER ORDERED that a public hearing be and it hereby is scheduled for April 24, 1985, at 9:00 a.m., Eastern Standard Time, in the offices of the Commission at Frankfort, Kentucky, for the purpose of receiving testimony relative to the reasonableness of the tariffs proposed by Cincinnati Bell and SCB, the requirements proposed by the Commission as discussed herein, and the proper location of those requirements, whether in utility tariffs or Commission Order.

IT IS FURTHER ORDERED that parties interested in providing testimony or comments relative to the issues to be discussed shall file same with the Commission, and parties of record, not later than April 19, 1985.

IT IS FURTHER ORDERED that the motions of Cincinnati Bell and SCB, filed March 1, 1985, be and they hereby are denied.

Done at Frankfort, Kentucky, this 27th day of March, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Herman
Chairman

Keith D. Jones
Vice Chairman

Sam Shuck
Commissioner

ATTEST:

Secretary